

CHARLOTTE

Low Costs, High Quality Construction

WHILE THE ENTIRE COUNTY CONTINUES to witness new construction or expanding facilities, new towers have reshaped the Charlotte center city skyline. This can be attributed to Charlotte's competitive construction costs, skilled construction workers, and convenient transportation of raw materials. For these and other reasons, companies continue to relocate new or expand current facilities in Charlotte. Favorable weather conditions year-round simply boost the benefits of locating in a city that can boast construction costs well below the national average.

The R.S. Means Company City Cost Index reflects the total cost, excluding cost of land and other peripheral

THE LOW COST OF CONSTRUCTION — 22 PERCENT LESS THAN THE NATIONAL AVERAGE — IS ONE OF MANY REASONS THAT NEW AND RELOCATING FIRMS ARE DRAWN TO THE CHARLOTTE REGION.

expenses (e.g., architectural fees), of residential, commercial and industrial construction. Many cities have seen higher costs recently, but Charlotte has experienced a construction boom. From 2006-2010 developers announced more than 88 million square feet of new office, industrial and other commercial facilities. The following construction cost index table indicates Charlotte's competitive construction cost advantage.

Charlotte also shines in the Marshall & Swift Valuation Service rankings. Charlotte's construction costs rank as one of the lowest of the major metro centers. The attraction of the area is apparent in the numbers. In 2010, Charlotte awarded nearly 13,000 building permits representing more than \$1.2 billion of new construction. The following factors exemplify reasons for Charlotte's consistently low construction costs.

A Construction Center

The growth of Charlotte is a magnet for construction companies. Low costs, high construction activity levels, and convenient access to both materials and skilled labor provide the reasons that over 4,430 construction firms employ 34,674 qualified workers in the metro area. These companies come in a wide variety of sizes, from a number of small, more personal operations to at least 55 firms each employing more than 100 people.



Construction Cost Index

Charlotte, NC	77.7
Dallas, TX	85.2
Memphis, TN	85.5
Atlanta, GA	88.8
Cincinnati, OH	91.1
Baltimore, MD	92.2
Denver, CO	94.3
Cleveland, OH	98.0
Pittsburgh, PA	98.6
Portland, OR	98.8
Washington, DC	99.0
Kansas City, MO	99.2
Detroit, MI	102.9
Seattle, WA	103.3
Los Angeles, CA	104.6
Newark, NJ	108.0
Chicago, IL	111.5
Minneapolis, MN	111.8
Boston, MA	117.2
San Francisco, CA	123.8
New York City, NY	133.2

Source: R.S. Means Company, Inc., 2010. Means Building Construction Cost Data

Quality Services

In addition to the quality and choices you will find with Charlotte's construction companies, you will also find a wealth of additional services to design new or reconfigure the perfect quarters for your business. The Charlotte area has 408 engineering firms with 6,180 employees. In addition, there are 181 architectural firms in the region with a total of 1,575 employees. Over half of these architectural firms are members of the American Institute of Architects, an organization dedicated to the highest standards of professionalism, integrity and competence.

**ALMOST \$4 BILLION IN
NEW CONSTRUCTION TAKES
PLACE EACH YEAR.**

Stable Wages and Talented Workers

The North Carolina Right-to-Work law ensures stable wages and dedicated workers. Community colleges and apprenticeship programs offer comprehensive courses that train construction workers to be the best in their field.

Favorable Weather Conditions

The Charlotte region enjoys the best qualities of each of the four seasons. One benefit is the ability to build throughout the year and with considerably less insulation costs than Charlotte's competitor cities. Crews are also able to work with fewer interruptions, making the whole construction process more efficient and cost-effective.

Charlotte-Mecklenburg's 5-Year Construction Summary

Year	Permits	Permit Value (millions)		Total
		Residential	Non-Residential	
2010	12,968	\$529.3	\$719.4	\$1,248.7
2009	11,549	\$669.8	\$715.8	\$1,385.6
2008	16,243	\$1,473.1	\$2,240.2	\$3,713.2
2007	21,462	\$2,223.7	\$1,823.4	\$4,047.1
2006	24,250	\$2,709.5	\$1,560.9	\$4,270.4

New Residential Construction By Type

Year	Single Family	Multi-Family	Total Units
2010	2,958	1,565	4,523
2009	2,224	2,302	4,526
2008	3,758	6,747	10,505
2007	7,494	6,306	13,800
2006	10,215	7,874	18,089

A Wealth of Raw Construction Materials

North Carolina is one of the leading producers of brick, lumber and laminates. This assures convenient selection and minimum transportation costs.



Sustainable Construction

Charlotte is home to 64 LEED certified projects totaling over 10.5 million square feet. LEED (Leadership in Energy and Environmental Design) is the U.S. Green Building Council's internationally recognized green building certification system. There are 1,307 LEED accredited professionals with 465 new certifications earned in 2009 alone.

The Bottom Line

By building your new quarters in Charlotte, you will benefit from the area's strong economic growth, high quality of life and centralized location. You'll also have the area's experienced construction services organizations (who practice the newest and most efficient techniques), easy access to raw materials, and a large number of workable days at your disposal. The bottom line for you is quality construction at a comparably low cost.

Average Commercial Building Cost of the Largest Distribution Cities in the U.S.*

(\$ per square foot)

City	Distribution Warehouse Class C	Industrial Light Manufacturing Class C	Industrial Flex Building Class C	Green Warehouse/Storage	Discount Retail Class C	Store Class C	Green Retail
Houston	37.09	37.91	37.97	51.65	49.01	61.11	72.48
Dallas	37.51	38.34	38.39	50.81	49.56	61.80	71.31
Lexington	37.93	38.77	38.82	51.71	50.11	62.49	72.56
Memphis	37.93	38.77	38.82	50.52	50.11	62.49	70.89
Charlotte	39.46	40.33	40.39	45.52	52.13	65.01	63.88
Atlanta	40.33	41.22	41.28	52.42	53.28	66.44	73.56
Cincinnati	40.43	41.32	41.38	54.56	53.41	66.61	76.57
Richmond	42.06	42.99	43.05	50.75	55.57	69.30	71.23
Jacksonville	42.06	42.99	43.05	50.69	55.57	69.30	71.14
Denver	42.08	43.01	43.07	55.93	55.60	69.33	78.49
Cleveland	44.60	45.58	45.65	59.32	58.92	73.47	83.25
Baltimore	45.10	46.09	46.16	55.10	59.58	74.30	77.32
Detroit	46.26	47.29	47.35	61.17	61.12	76.22	85.84
Washington DC	46.40	47.42	47.49	58.25	61.30	76.44	81.75
Kansas City	46.68	47.71	47.78	58.49	61.67	76.91	82.08
Portland	46.81	47.84	47.91	59.44	61.84	77.11	83.42
St. Louis	47.51	48.56	48.63	61.05	62.77	78.28	85.67
Pittsburgh	48.57	49.64	49.71	60.04	64.16	80.01	84.25
Minneapolis	48.76	49.84	49.91	66.94	64.42	80.34	93.94
Los Angeles	51.53	52.67	52.74	63.78	68.08	84.90	89.51
Chicago	51.68	52.82	52.90	69.73	68.28	85.15	97.86
Seattle	52.82	53.99	54.06	62.48	69.78	87.02	87.68
Philadelphia	54.64	55.84	55.92	68.01	72.18	90.02	95.44
Boston	56.81	58.06	58.14	70.03	75.05	93.59	98.28
Newark	57.24	58.50	58.59	67.06	75.62	94.30	94.10
San Francisco	60.55	61.89	61.97	73.54	79.99	99.75	103.21
New York	62.01	63.38	63.47	79.14	81.92	102.16	111.06

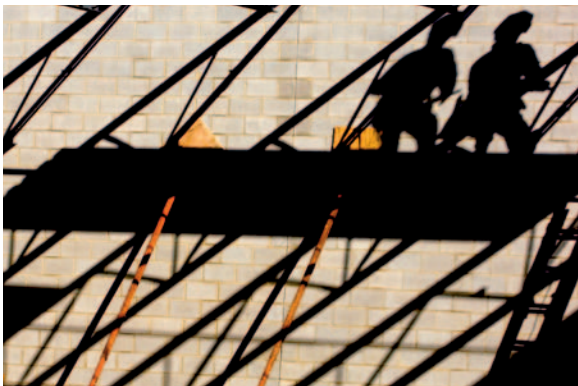
Source: Marshall and Swift, July 2011. Source: RS Means Green Building Cost Index 2011

Average Office Building Cost of Mid-Sized Cities*

(\$ per square foot)

City	Class A	Class B	Class C	Class D	Green Mid-Rise Office*
Houston	120.25	114.90	81.48	76.42	103.29
Dallas	121.60	116.19	82.40	77.28	101.63
Lexington	122.95	117.48	83.32	78.14	103.41
Memphis	122.95	117.48	83.32	78.14	101.03
Charlotte	127.92	122.22	86.68	81.29	91.04
Atlanta	130.73	124.91	88.59	83.08	104.84
Cincinnati	131.06	125.22	88.81	83.29	109.12
Richmond	136.36	130.28	92.40	86.65	101.51
Jacksonville	136.36	130.28	92.40	86.65	101.39
Denver	136.43	130.35	92.44	86.70	111.86
Cleveland	144.57	138.13	97.96	91.87	118.64
Baltimore	146.20	139.68	99.06	92.91	110.19
Detroit	149.98	143.30	101.63	95.31	122.33
Washington DC	150.41	143.71	101.92	95.59	116.50
Kansas City	151.33	144.59	102.54	96.17	116.98
Portland	151.74	144.98	102.82	96.43	118.88
St. Louis	154.03	147.17	104.37	97.88	122.09
Pittsburgh	157.44	150.43	106.68	100.05	120.07
Minneapolis	158.08	151.04	107.12	100.46	133.88
Los Angeles	167.05	159.61	113.20	106.16	127.57
Chicago	167.54	160.08	113.53	106.47	139.47
Seattle	171.23	163.60	116.03	108.81	124.95
Philadelphia	177.12	169.23	120.02	112.56	136.02
Boston	184.15	175.95	124.78	117.02	140.06
Newark	185.56	177.29	125.74	117.92	146.13
San Francisco	196.29	187.54	133.00	124.74	147.08
New York	201.02	192.07	136.21	127.74	158.27

*Mid Rise is defined as 5-10 stories. **Source:** Marshall and Swift, July 2011. **Source:** RS Means Green Building Cost Index 2011



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